

TO: Team Merit
FROM: Rodney Robinson
SUBJECT: Merit Awards Results

DATE: September 19, 1994

This provides you with the latest on Merit Awards activity/issues.

June Direct (1.8MM):

- week 15 of 17

	<u>Projected Response Rate</u>	<u>Actual Response Rate</u>	<u>Orders to Date(9/22)</u>	<u>Inventory</u>	<u>Shipped</u>
Umbrella	.65%	.59%	10,349	7,700	4,622
Back Pack	.53%	.50%	8,758	17,500	7,400
Blanket	.86%	.77%	13,564	49,000	11,280
Combo(Blank/Bkpk)			7,606*		

* Included in individual orders.

Survey	3.0%
Refer-A-Friend	2.0%
Items/Order	1.39

Re-orders

Umbrellas 7,800 due 11/10

- Responses are 6% higher than anticipated according to the updated forecast. Keep in mind that items should not surpass inventory except for the umbrella.
- Keyed responses are at 87% efficiency.
- Delay cards will be sent for backorders on the umbrella. 2,200 consumers will not receive umbrellas until week 11-12 of program.
- Blankets have not shipped since 8/10 according to CRI. Purchasing needs to resolve reason why.

August direct mail (1.8MM)

- week 7 of 39

- As of 9/14, we have 8,739 mail receipts to date for program. Due to the migration back-up at CRI, orders still have not been processed. Purchasing/IS to resolve ASAP.

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Other

- All items are in inventory (partials) except for the following:
Macy's duffle bag- due to manuf. mess-up, bags will not be in inventory until 10/10 vs. 9/6
Day Planner- Has not arrived as of 9/26; six days late. Purchasing to follow up.
 - Acknowledgment cards will be shipped immediately for orders on these two items.
- Calls to the 1-800 number through 9/18 total 11,372. 73% of the calls are to request the catalog, while the remaining 28% are for information about the program. The remaining 28% are for everything from order status to consumers in Kansas who cannot participate. The majority of calls are from Playboy magazine, probably due to the early on-sale date.
- Sept retail is at 97% utilization. Catalog backup remains at 79%.
- On-pack mail receipts for the catalog is at 2,317; on-carton is 21.
- Mail count for the carton stuffer stands at 35. The FSI stands at 2,921.
- Mail count for the magazine catalog BRC stands at 1,915 to date.

No responses have been keyed.

Things to Watch

We need to watch the following closely as we continue to move forward in the next couple of weeks:

- CRI Processing: All of the media has dropped and the total number of receipts will grow exponentially. CRI has not met the demand and there is no break out of responses to items. CRI must rectify ASAP.
- Catalog inventory: As the media matures and the 1-800 number becomes "ingrained" in the minds of consumers, we will have to watch the inventory of catalogs to meet the potential demand.
- Red Flag reports: This report is in the programming cue at CRI. According to IS, red flag report will not be completed until mid-October. This is not satisfactory, considering that the program will be nearly 1/3 complete.

Let's discuss these issues at our Wednesday meeting.

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